IN THE CLAIMS

1. (currently amended) A method for increasing the efficiency of marketing campaigns using a targeting engine for analyzing data input and generating data output, said method including the steps of:

using historical data to determine a target group based upon a plurality of models embedded within and executed by the targeting engine wherein each model is a predicted customer profile;~

using the targeting engine is configured to determine a sequential order for combining the models to define the target group;, and

combine combining the models in the determined sequential order to define the target group an initial customer group, the initial customer group includes a list of customers satisfying each of the combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer, the list includes a high profit end, a moderate profit section, and a low profit end, the high profit end including customers having a highest projected profitability, the low profit end including customers having a lowest projected profitability, the moderate profit section including a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, the target group includes the customers included between the high profit end of the list and the profitability baseline and determine a risk factor for the target group; and

using the targeting engine to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero; and

directing the marketing campaign towards the target group determined by the models.

2. (currently amended) A method according to Claim 1 wherein said step of using historical data to determine a target group based upon a plurality of models further comprises the step of combining models to determine a depth of a targeted mailing that includes the target group.

3. (original) A method according to Claim 1 wherein said step of using historical data to determine a target group based upon a plurality of models further comprises the step of combining models to determine a likelihood of a customer response.

4. (original) A method according to Claim 1 wherein said step of using historical data to determine a target group based upon a plurality of models further comprises the step of combining models to generate a potential customer list.

5. (cancelled)

6. (original) A method according to Claim 1 wherein said step of using historical data to determine a target group based upon a plurality of models further comprises the step of combining models to determine expected profitability per customer of a marketing campaign.

7. (original) A method according to Claim 1 wherein said step of using historical data to determine a target group based upon a plurality of models further comprises the step of combining models to determine expected profitability per product of a marketing campaign.

8. (previously presented) A method according to Claim 1 wherein said step of directing the marketing campaign towards the target group determined by the models further comprises the step of rank ordering accounts.

9. (previously presented) A method according to Claim 1 wherein said step of directing the marketing campaign towards the target group determined by the models further comprises the step of segmenting accounts based on customer demographics.

3

10. (previously presented) A method according to Claim 1 wherein said step of directing the marketing campaign towards the target group determined by the models further comprises the step of identifying cross-sell targets.

11. (currently amended) A system configured to increase efficiency of marketing campaigns, said system comprising:

a customer database which includes customer demographics and historical data;

a targeting engine for analyzing data input and generating data output, said targeting engine having a plurality of models stored thereon wherein each model is a predicted customer profile, said targeting engine configured to access said historical data, determine a sequential order for combining said models to define the target group, and combine said models in the determined sequential order to determine a target group for marketing and determine a risk factor for the target group; and define an initial customer group, the initial customer group includes a list of customers satisfying each of said combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer, the list includes a high profit end, a moderate profit section, and a low profit end, the high profit end including customers having a highest projected profitability, the low profit end including customers having a lowest projected profitability, the moderate profit section including a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, the target group includes the customers included between the high profit end of the list and the profitability baseline, said targeting engine further configured to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero; and

a graphical user interface for accessing customer database and displaying data output including the target group.

12. (cancelled)

13. (currently amended) A system according to Claim 11 further configured to use historical data stored in said customer database to direct a marketing campaign towards a the target group determined by the plurality of models.

14. (currently amended) A system according to Claim 11 further configured to combine a plurality of models to determine a depth of a targeted mailing that includes the target group.

15. (previously presented) A system according to Claim 11 further configured to combine a plurality of models to determine a likelihood of a customer response.

16. (previously presented) A system according to Claim 11 further configured to combine a plurality of models to generate a potential customer list.

17. (cancelled)

18. (previously presented) A system according to Claim 11 further configured to combine a plurality of models to determine expected profitability per customer of a marketing campaign.

19. (previously presented) A system according to Claim 11 further configured to combine a plurality of models to determine expected profitability per product of a marketing campaign.

20. (original) A system according to Claim 11 further configured to rank order accounts.

21. (original) A system according to Claim 11 further configured to segment accounts based on customer demographics.

22. (previously presented) A method according to Claim 1 wherein said step of using historical data to determine a target group further comprises the step of using historical data to determine a target group based upon a plurality of models embedded within and executed by the

targeting engine wherein the targeting engine is further configured to determine a risk factor for the target group after combining each model.

23. (previously presented) A system according to Claim 11 wherein said targeting engine is further configured to determine a risk factor for the target group after combining each model.

24. (currently amended) A method according to Claim 1 wherein said step of using historical data to determine a target group further comprises the step of:

storing in a database historical data for a plurality of potential customers including for each potential customer at least one of an age, a gender, a marital status, an income, a transaction history, and a transaction measure; and

~~using the historical data to determine a target group based upon a plurality of models embedded within and executed by the targeting engine;~~

~~determining a sequential order for combining the models using the targeting engine to define the target group; and~~

combining the models in the determined sequential order to define ~~the target~~ the initial customer group by applying a first model included in the determined sequential order to each of the plurality of potential customers included in the database to generate a first segment of only those potential customers satisfying the first model, applying a second model included in the determined sequential order to the first segment to generate a second segment of only those potential customers satisfying the combination of the first and second models, and then applying each subsequent model included in the determined sequential order to a segment generated by the combination of each prior model ~~to define the target group~~.

25. (currently amended) A method according to Claim 24 wherein said step of combining the models in the determined sequential order to define the ~~target~~ initial customer

group further comprises combining the models in the determined sequential order to determine a risk factor for each potential customer within the ~~target~~ initial customer group.

26. (currently amended) A system according to Claim 11 wherein said customer database further includes historical data for a plurality of potential customers including for each potential customer at least one of an age, a gender, a marital status, an income, a transaction history, and a transaction measure, and wherein said targeting engine further configured to combine said models in the determined sequential order to define the ~~target~~ initial customer group by applying a first model included in the determined sequential order to each of the plurality of potential customers included in said customer database to generate a first segment of only those potential customers satisfying the first model, applying a second model included in the determined sequential order to the first segment to generate a second segment of only those potential customers satisfying the combination of the first and second models, and then applying each subsequent model included in the determined sequential order to a segment generated by the combination of each prior model ~~to define the target group~~.

27. (currently amended) A system according to Claim 26 wherein said targeting engine is further configured to combine said models in the determined sequential order to determine a risk factor for each potential customer within the ~~target~~ initial customer group.